



Media Release

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A good start to a fairer Australia

SACOSS welcomed the Rudd Labour Governments first Budget tonight, which delivers a number of measures specifically targeted towards low income and disadvantaged households. **SACOSS welcomes the start of a redistribution of Australia's wealth that makes a down payment on Social Inclusion in Australia.**

"For the first time in more than a decade we have seen a Budget more fairly skewed towards those households that have been doing it tough". said SACOSS Executive Director, Karen Grogan.

"Savings measures such as increased tax rates on luxury cars and means testing of some welfare payments such as the baby bonus means that low income and disadvantaged households are spared from most cuts"

"This is a good start to a fairer Australia. The Building Australia Fund, health and hospital and education future funds are welcomed as counter inflationary initiatives and an excellent start in re-building Australia's infrastructure. The investments in Indigenous literacy and child and maternal health services will help to close the gap between Indigenous and non Indigenous Australians health outcomes and life chances"

SACOSS also welcomed the doubling of resources to financial counselling. "The non Government financial counselling sector has been under resourced for a very long time and has been unable to adequately meet the needs of low income and disadvantaged households. This new investment will go some way towards relieving substantial unmet need in this area" said Grogan.

"The changes to the low income tax offset are a good first step to a more streamlined interface between the taxation and social security systems. For too long, these convoluted systems have worked as disincentives for low income earners taking up or increasing paid employment. SACOSS hopes that this will be the start of a new taxation and social security regime that is much fairer."